

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
A National Broadband Plan for Our Future	)	GN Docket No. 09-51
	)	
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	WC Docket No. 07-135
	)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
	)	
Developing a Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Lifeline and Link-Up	)	WC Docket No. 03-109
	)	
Universal Service Reform – Mobility Fund	)	WT Docket No. 10-208

**Comments of  
ALASKA COMMUNICATIONS SYSTEMS  
regarding the United States Telecom Association Petition for Reconsideration and Clarification of the  
Further Guidance regarding the Tribal Government Engagement Obligation Provisions of the  
Connect America Fund**

Alaska Communications Systems (“ACS”),<sup>1</sup> hereby submits these comments in response to the Public Notice (“Public Notice”)<sup>2</sup> issued in the above-captioned proceedings, seeking

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<sup>1</sup> In these comments, “Alaska Communications Systems” signifies the operating subsidiaries of Alaska Communications Systems Group, Inc., which include the incumbent local exchange carriers (“ILECs”), ACS of Alaska, Inc., ACS of Anchorage, Inc., ACS of Fairbanks, Inc., and ACS of the Northland, Inc., as well as the additional operating subsidiaries, ACS Wireless, Inc., ACS Long Distance, Inc., ACS Internet, Inc., ACS Cable, Inc., Alaska Fiber Star, and WCI Cable. Together, these ACS companies provide retail and wholesale wireline and wireless telecommunications, information, broadband, and other services to residential and business customers in the State of Alaska and beyond, using ACS’s intrastate and interstate facilities.

<sup>2</sup> Public Notice, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208; GN Docket No. 09-51, Office of Native Affairs and Policy, Wireless Telecommunications Bureau, and Wireline Competition Bureau Seek Comment on the United States Telecom Association Petition for Reconsideration and Clarification of the Further Guidance regarding the Tribal Government Engagement Obligation Provisions of the Connect America Fund, DA 12-1405 (rel. Aug. 27, 2012).

comment on the Petition of the United States Telecom Association (“USTA”), which in turn requests reconsideration or clarification of the tribal engagement obligations adopted by the Commission in connection with the Connect America Fund.

ACS welcomes the Commission’s renewed focus on native outreach, including the requirements articulated in the *USF/ICC Transformation Order* that all eligible telecommunications carriers (“ETCs”) engage meaningfully with Tribal governments in their supported areas.<sup>3</sup> In that Order, the Commission specified that this outreach should encompass:

(1) a needs assessment and deployment planning with a focus on Tribal community anchor institutions; (2) feasibility and sustainability planning; (3) marketing services in a culturally sensitive manner; (4) rights of way processes, land use permitting, facilities siting, environmental and cultural preservation review processes; and (5) compliance with Tribal business and licensing requirements.<sup>4</sup>

The Commission adopted a new rule requiring that each ETC file an annual report detailing its outreach efforts within each of these categories.<sup>5</sup> Subsequently, on July 19, 2012, the Office of Native Affairs and Policy, the Wireless Telecommunications Bureau, and the Wireline Competition Bureau jointly issued a Public Notice (the “Further Guidance”) explaining the Commission’s goals and expectations within each of these five categories.<sup>6</sup>

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<sup>3</sup> *Connect America Fund*, WC Docket No. 10-90, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd 17663 ¶ 636 *et. seq.* (2011) (“*USF/ICC Transformation Order*”) (subsequent history omitted).

<sup>4</sup> *Id.*

<sup>5</sup> 47 C.F.R. § 54.313(a)(9).

<sup>6</sup> Public Notice, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208; GN Docket No. 09-51, Office of Native Affairs and Policy, Wireless Telecommunications Bureau, and Wireline Competition Bureau Issue Further Guidance on Tribal Government Engagement Obligation Provisions of the Connect America Fund, DA 12-1165 (rel. July 19, 2012).

Outreach to Alaska Natives is a key priority for ACS. Of the 565 federally recognized tribal entities, 229 are located in Alaska.<sup>7</sup> The 2010 Census found that Alaska Natives comprise approximately 15 percent of the population of Alaska, among the highest concentrations in the nation.<sup>8</sup> ACS itself serves at least fifty Alaska Native Villages, with populations ranging from 14 to just over 1000, and encompassing at least 44 different tribes. This total, representing nearly 8 percent of the total number of federally recognized tribes in the United States, is a tremendous number for ACS, which serves just 130,000 access lines located within a single state. And, of course, the entire state of Alaska is within one of regions under the jurisdiction of the thirteen Alaska Native Regional Corporations created by the Alaska Native Claims Settlement Act, 43 U.S.C. §§ 1601 *et. seq.*,<sup>9</sup> including one corporation encompassing Alaska Natives who have left the state.

As a result, a significant part of ACS's business involves service to Alaska Natives, and ACS believes that all parties benefit from greater communication. As shown on the attached map, many Alaska Native Villages are located in remote, difficult-to-serve areas of the state. In many cases, these Villages are located off of the road network, and access depends on favorable conditions for travel by airplane, boat, or snow machine. Communications connectivity relies on

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<sup>7</sup> Bureau of Indian Affairs, "Indian Entities Recognized and Eligible To Receive Services From the United States Bureau of Indian Affairs," *Federal Register*, 75 Fed. Reg. 60810 (2010).

<sup>8</sup> U.S. Census Bureau, "Alaska QuickFacts from the US Census Bureau," available at: <http://quickfacts.census.gov/qfd/states/02000.html> (showing 2011 estimate for "American Indian and Alaska Native persons" of 14.9 percent, compared to 1.2 percent for the nation as a whole).

<sup>9</sup> See Map, "American Indians and Alaska Natives in Alaska," U.S. Dept. of Commerce 2010, attached hereto as **Attachment A**.

terrestrial microwave facilities built over forbidding terrain during Alaska's short construction season or, frequently, even more costly satellite service. Before making the substantial investment of capital necessary to launch new services or improve existing ones, it only makes sense for ACS to gain as detailed an understanding as possible of the customer's needs and priorities.

ACS nevertheless requests that the Commission temper the scope of the tribal outreach compliance obligation to reflect the current state of the Commission's CAF implementation. ACS's ability to deploy broadband in remote Alaska Native Villages is utterly dependent on the sufficiency of high cost universal service funding (as reflected in support levels available through CAF Phase I and Phase II as well, potentially, as the Remote Areas Fund ("RAF")). In many Villages, the business case for broadband is extremely challenging, because the costs of deploying, operating, and maintaining the necessary facilities are extremely high cost and the potential revenue stream based on anticipated retail pricing and take rates is extremely limited.

At present, however, these support levels have not yet been established. CAF Phase I support, frozen at historical levels computed to support deployment and operation of voice networks, leaves little room for aggressive new deployment of broadband facilities. Despite the Commission's mandate to use "one-third of [frozen high-cost support] to build and operate broadband-capable networks used to offer the provider's own retail broadband service in areas substantially unserved by an unsubsidized competitor" in 2013,<sup>10</sup> because CAF Phase I support levels are largely unchanged from those historical levels, this mechanism is ill-suited to support deployment of broadband over the long term in areas where it was previously uneconomic to do

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<sup>10</sup> *USF/ICC Transformation Order* at ¶ 150.

so. CAF Phase I incremental support offers the ACS ILECs the opportunity to deploy new broadband to a small number of new locations, which may include some Alaska Native Villages. In many cases, however, given the limited support available, business decisions regarding that deployment are likely to be driven largely by where the ACS ILECs can establish a business case for broadband. Further, because ACS is filing a petition for waiver of the CAF Phase I incremental support rules, it will be difficult for ACS to develop concrete deployment plans based on this support until its petition is resolved.

Similarly, it does not appear that ACS will be in a position to make any meaningful assessment of its ability to invest in costly new broadband facilities in Alaska Native Villages using CAF Phase II support before the end of 2012. With the CAF Phase II modeling effort still underway at the Commission, and in light of the significant shortcomings of the current model as applied to Alaska, ACS is currently unable to predict the level of CAF Phase II support for broadband deployment that ultimately may be available from that mechanism. When the Commission imposed the tribal consultation requirement in the 2011 *USF/ICC Transformation Order*, it stated that, “We anticipate adoption of the selected model by the end of 2012 for purposes of providing support beginning January 1, 2013.”<sup>11</sup> Given that the Commission’s timeline appears to be changing, it is unnecessary (and indeed impossible) for carriers to make meaningful commitments to large broadband infrastructure projects that would rely on CAF Phase II or RAF support at this time.

As a result, in engaging with Alaska Native Villages, ACS believes that it is far better positioned to have a meaningful conversation about some elements of the framework established

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<sup>11</sup> *USF/ICC Transformation Order* at ¶ 157.

by the Commission than others. For example, regarding “Needs Assessment and Deployment Planning,” ACS would welcome the opportunity to hear a “serious, well-thought out assessment” of a Village’s communications needs.<sup>12</sup> It is far less likely, however, to be able to “articulate [its] deployment priorities, the process by which [it] arrived at these priorities, and [its] initial plans for deployment on Tribal lands” because any discussion of “the services [it] currently deploy[s], and what services [it] intend to deploy, on Tribal lands”<sup>13</sup> is so closely tied to Commission decisions on funding that have yet to be made.

Similarly, many specific decisions relating to the remaining elements of the compliance obligation are similarly dependent on Commission funding decisions. Once support levels for CAF Phase I incremental support and CAF Phase II support are set, ACS will be able to have a far more meaningful discussion with the leadership of Alaska Native Village governments on feasibility and sustainability planning, 47 C.F.R. § 54.313(a)(9)(ii); marketing services in a culturally sensitive manner, § 54.313(a)(9)(iii); rights of way processes, land use permitting, facilities siting, environmental and cultural preservation review processes, § 54.313(a)(9)(iv); and compliance with tribal business and licensing requirements, § 54.313(a)(9)(v).

ACS is therefore concerned that outreach during 2012 will be far less productive than the Commission originally anticipated. ACS urges the Commission to clarify that ETCs may satisfy their compliance obligations under Section 54.313(a)(9) for 2012 by initiating contact with the appropriate members of tribal (or, in the case of Alaska, the Alaska Native Village) leadership, as defined in the *USF/ICC Transformation Order*, and soliciting information they may wish to

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<sup>12</sup> Further Guidance at ¶ 18.

<sup>13</sup> Further Guidance at ¶ 19.

offer regarding their needs assessment efforts, resources they could bring to bear in support of feasibility or sustainability planning, and any preferred tailoring of specific service offerings, in addition to any available information regarding processes for permitting, obtaining access to rights-of-way, business and licensing requirements, and the like. While such information will provide valuable guidance to shape future planning, ACS expects that few ETCs would be in position to offer detailed feedback given the high present degree of uncertainty surrounding future funding levels under CAF Phase I, for ACS and other price cap carriers that are seeking waivers of the CAF Phase I incremental support deployment requirements, and CAF Phase II.

Given ACS's currently limited ability to make or communicate new deployment plans for services to Alaska Native Villages, and the extremely high cost of conducting the Commission's preferred "collaborative discussions and actual live conversations" in Alaska, ACS anticipates that the majority of its 2012 outreach will be via written correspondence and telephone. Travel to the remote locations of Alaska Native Villages, particularly in the autumn and winter months remaining in the current year, is highly weather-dependent, and it frequently takes at least a full day in each direction to complete the journey. While ACS concurs with the Commission that it is important to make this effort whenever possible,<sup>14</sup> ACS also believes that it would be more welcome and more productive to do so when ACS has a more concrete message to offer.

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<sup>14</sup> ACS agrees with the Commission's judgment that "engagement may occur when necessary by phone or video conference where extreme weather conditions and/or extreme remoteness are present," Further Guidance at ¶ 9, n. 17. In most cases, Alaska Native Villages are limited to voice telephony, with videoconferencing well beyond the capabilities of the current network.

For the foregoing reasons, ACS hereby requests that the Commission clarify the scope of Section 54.313(a)(9) of its rules, 47 C.F.R. § 54.313(a)(9), and the associated Further Guidance, as discussed herein.

Respectfully submitted,

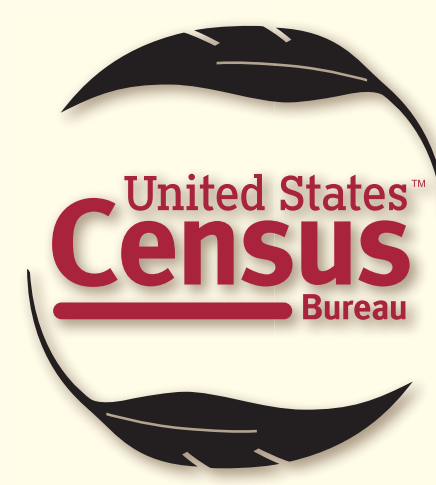
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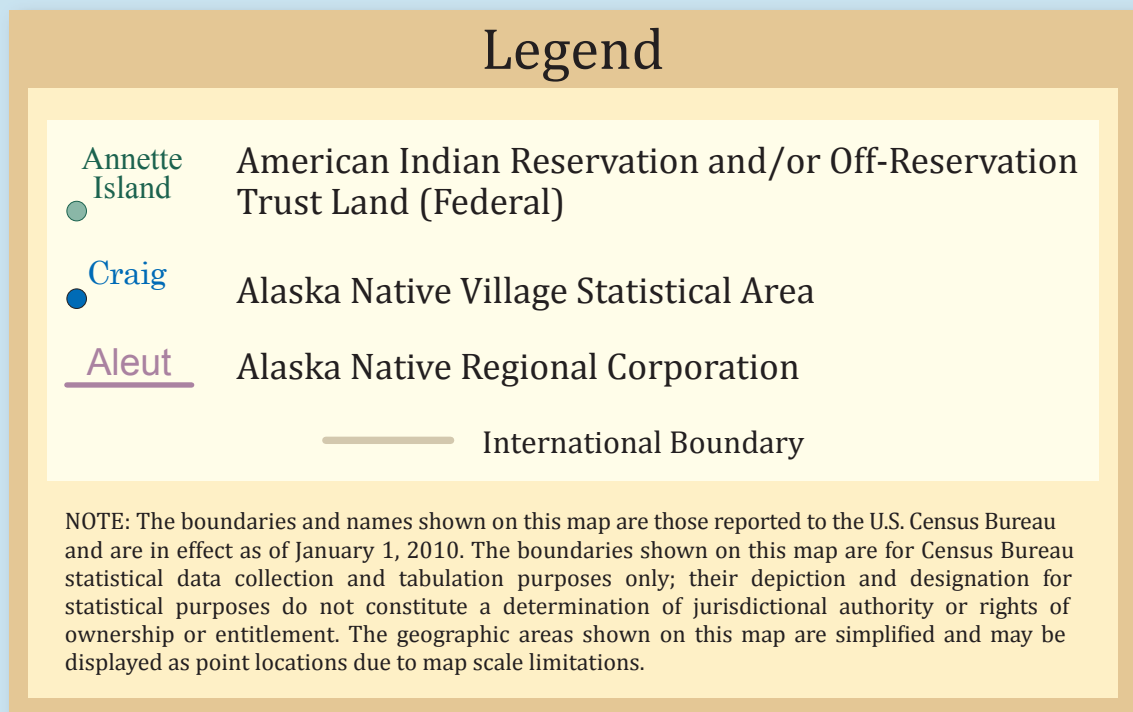
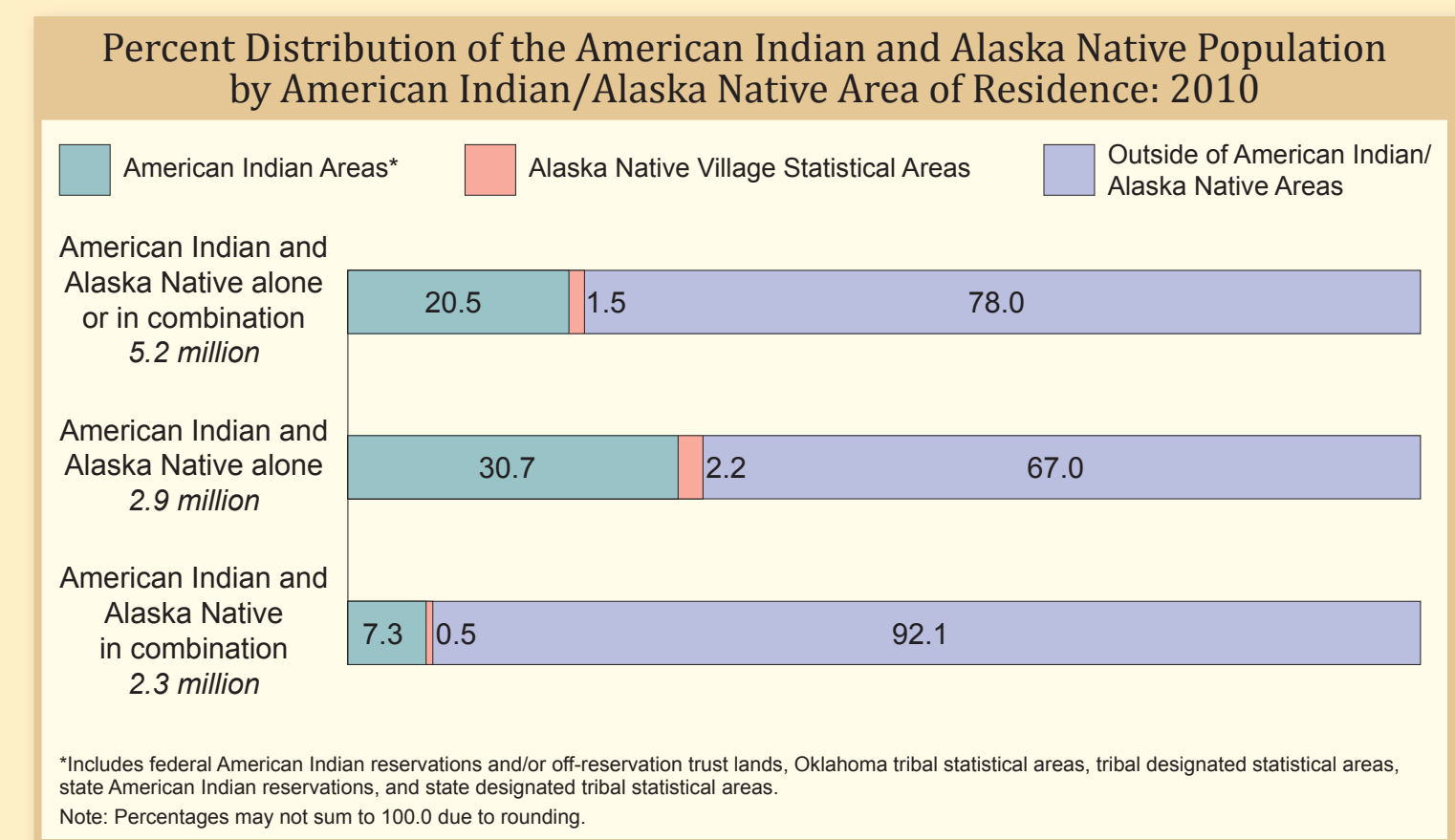
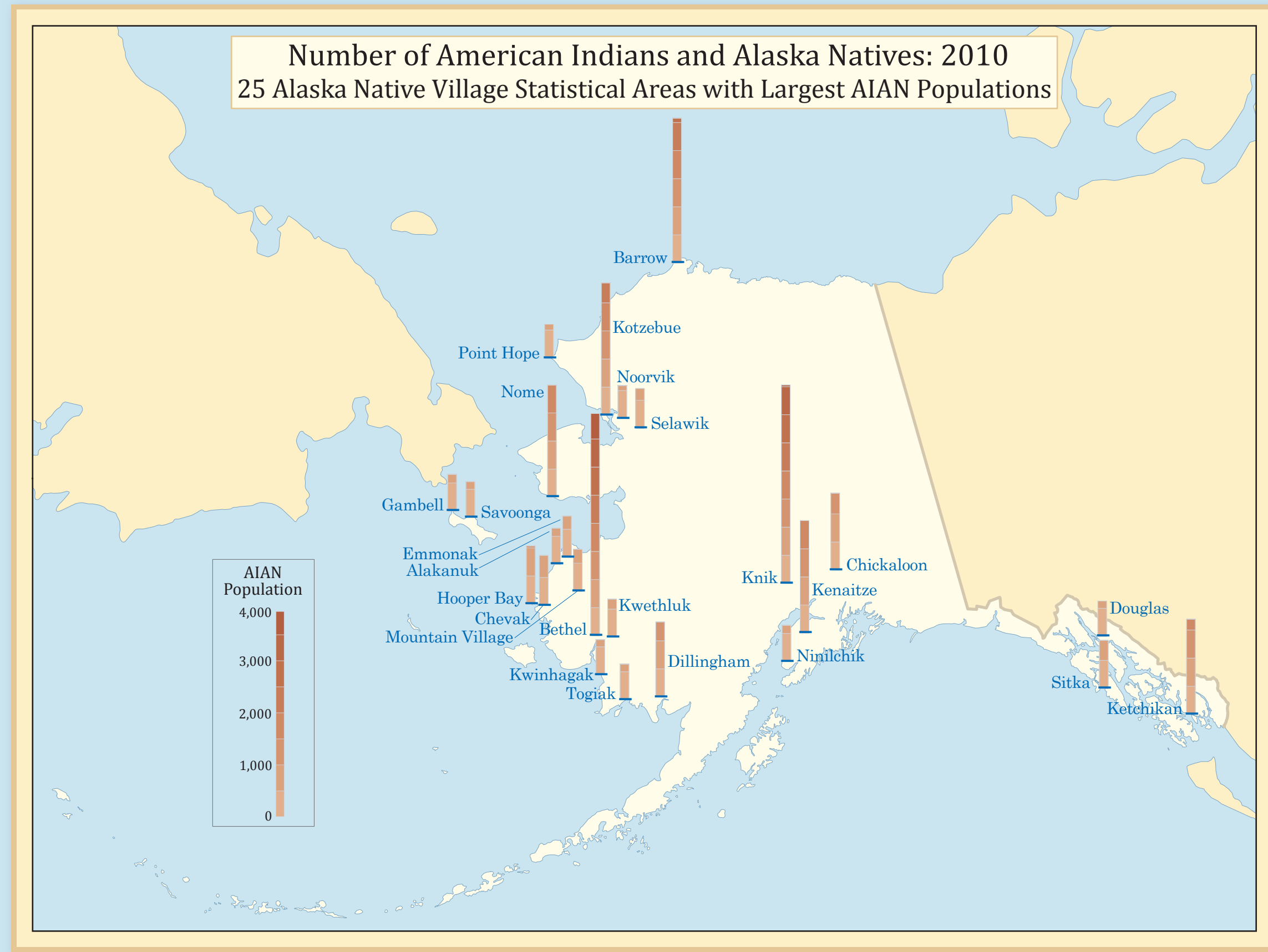
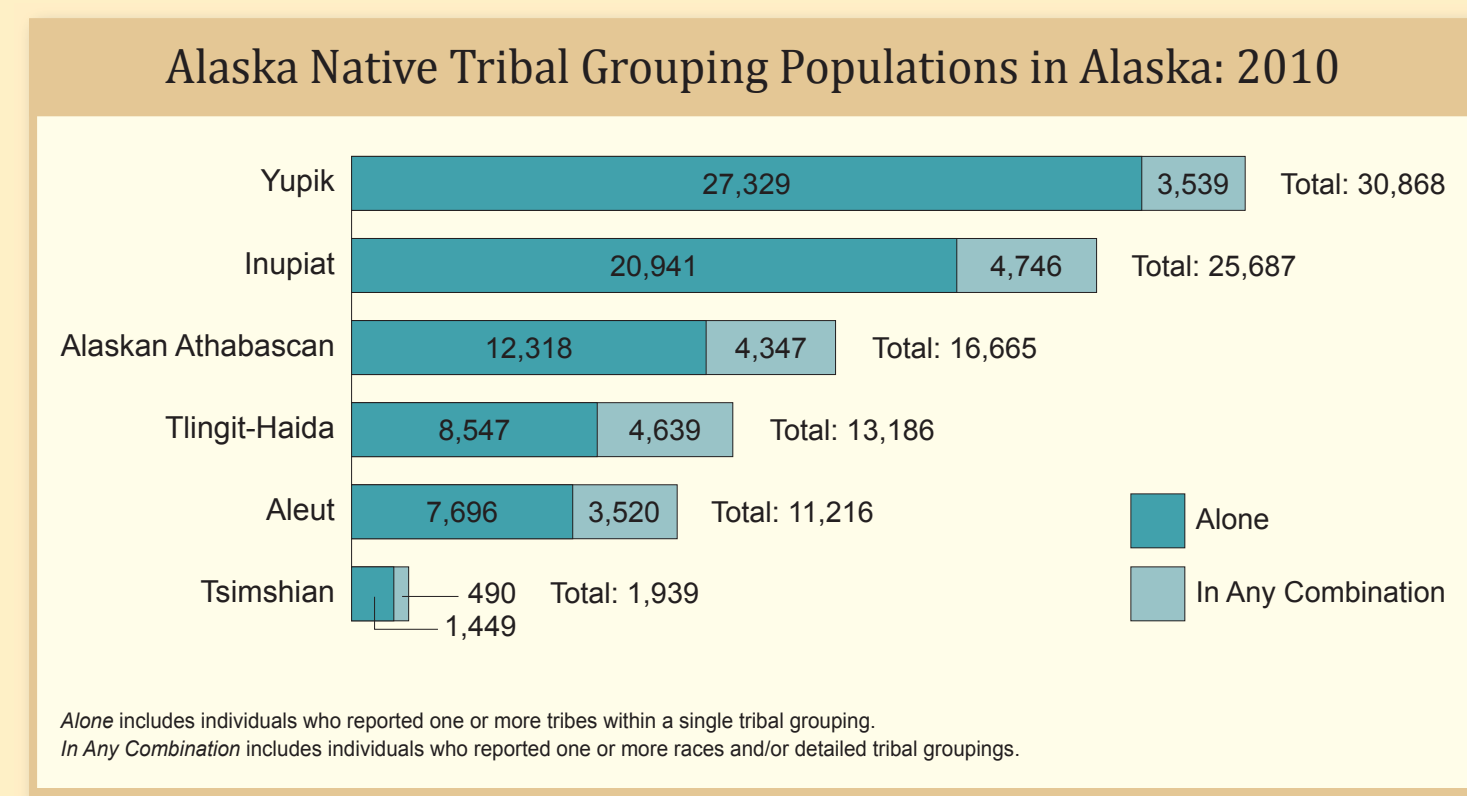
# **Attachment A**





# American Indians and Alaska Natives

## in Alaska



For more information about the U.S. Census Bureau, American Indian and Alaska Native (AIAN) areas and statistics, please visit [www.census.gov](http://www.census.gov) and [factfinder2.census.gov](http://factfinder2.census.gov).  
For information on AIAN tribal groupings, see Appendix B in the 2010 Census Summary File 1 - Technical Documentation at [www.census.gov/prod/2010/doc/s1.pdf](http://www.census.gov/prod/2010/doc/s1.pdf).  
Source: U.S. Census Bureau, 2010 Census Redistricting Data (Public Law 94-171) Summary File, Table P1 and 2010 Census Summary File 1.

